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Machines Corporation

**UNITED STATES BANKRUPTCY COURT**  
**NORTHERN DISTRICT OF CALIFORNIA**  
**SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION,

- and -

PACIFIC GAS AND ELECTRIC  
COMPANY,

Debtors.

☐ Affects PG&E Corporation  
☐ Affects Pacific Gas and Electric Company  
☒ Affects both Debtors  
*\* All papers shall be filed in the Lead Case,  
No. 19-30088 (DM).*

Case No. 19-30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

**DECLARATION OF MARK FRAZE  
IN SUPPORT OF INTERNATIONAL  
BUSINESS MACHINES  
CORPORATION'S OBJECTION AND  
RESERVATION OF RIGHTS TO  
ASSUMPTION OF EXECUTORY  
CONTRACTS PURSUANT TO THE  
PLAN AND PROPOSED CURE  
AMOUNTS**

I, Mark Frazee, declare:

1. I am a bankruptcy coordinator at International Business Machines Corporation ("IBM") responsible for handling all bankruptcy and collection legal escalations for customers in the United States.

2. I make this declaration based upon my review of the books and records kept in the ordinary course of business by IBM.

3. Pacific Gas and Electric Company and IBM entered into certain agreements and related transaction documents, pursuant to which IBM provided services to the Debtors<sup>1</sup>, including, but not limited to, specified licensed programs and software, hardware and software maintenance, web hosting services, Power8 Migration services, Guardium services, and consulting services (collectively, as amended, modified and supplemented, the “IBM Agreements”). IBM has continued to provide services to the Debtors post-petition, and Debtors have in part continued to pay IBM for such services.

4. I have reviewed the Schedule of Assumed Contracts, which fails to identify with specificity the potential contracts between the Debtors and IBM. As such, I have undertaken the process of attempting to identify the contracts listed therein, as well as determining the cure amounts associated with those contracts. I have reviewed the outstanding accounts receivables based on the IBM Agreements. Based on IBM's books and records and the limited information provided by the Debtors, the calculation chart annexed hereto as Exhibit A accurately reflects the correct outstanding invoice amounts needed to cure the defaults under the IBM Agreements as of May 11, 2020. As set forth on the calculation chart, as of May 11, 2020, the cure amounts for the combined IBM Agreements total \$730,519.93, and not \$353,694.10 set forth on the Schedule of Assumed Contracts.

5. As noted in its Objection, IBM continues to provide post-petition services to the Debtors, and Debtors continue post-petition to pay in part for such services. Additional invoices are in process and will continue to be rendered in the ordinary course for services being provided post-petition.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on May 13, 2020, at San Francisco, California.

/s/ Mark Frazee

MARK FRAZE

<sup>1</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in IBM's Objection.

# EXHIBIT A

**EXHIBIT A**

**Pacific Gas & Electric C CONTRACTS AND OPEN BILLING**

As of: 5/11/2020

Petition Date: 1/29/19

<u>CUSTNAM</u>	<u>INVNO</u>	<u>INVDAT</u>	<u>NETINV</u>	<u>Unpaid Period</u>	<u>Pre-Petition</u>	<u>Post-Petition</u>	<u>CONTRACT DESCRIPTION</u>
Pacific Gas & Electric Co	8098121	1/4/2019	\$62,542.37	1/1/19-1/29/19	<u>\$62,542.37</u>	<u>\$0.00</u>	Licensed Program Charges - <b>2500979479</b> DB2 Annual Software Subscription and Support, and Basic Monthly License Charges for Tier C, and MSU 32, 36, 37 AEWLC (DB2, Cobol, z/OS, etc)
					<b>\$62,542.37</b>	<b>\$0.00</b>	<b>PO 2500979479 - LICENSED PROGRAM CHARGES</b>
Pacific Gas & Electric Co	1904974	1/5/2019	\$1,858.09	1/1/19-1/29/19	\$1,858.09	\$0.00	Maintenance Agreement - CONTRACT NUMBER AV3J0F PO# <b>2500990090</b>
Pacific Gas & Electric Co	1906392	1/5/2019	\$108,030.00	1/1/19-1/29/19	<u>\$108,030.00</u>	<u>\$0.00</u>	HWMA Maintenance Agreement - CONTRACT NUMBER AV3J0F PO# <b>2500990090</b>
					<b>\$109,888.09</b>	<b>\$0.00</b>	<b>PO 2500990090 - HW MAINTENANCE AGREEMENT</b>
Pacific Gas & Electric Co	2540988	1/31/2019	\$18,262.30	1/1/19-12/31/19	<u>\$1,870.97</u>	<u>\$16,391.33</u>	Distributed Software - 2501123350 - SALES ORDER NO : 0061744217 WSI Trader - North America - National Active
					<b>\$1,870.97</b>	<b>\$16,391.33</b>	<b>PO 2501123350 - DISTRIBUTED SOFTWARE</b>
Pacific Gas & Electric Co	RS56640	10/29/2018	\$1,000.00	11/1/18-11/30/18	\$1,000.00	\$0.00	Services - Contract CFTQTYR, Work Number WTOST - PO# <b>2501366740</b> - CWA No. 2501366740 5999674 - Adrienne Lee - 03/30/2017 5999674 - PCR 01 Web Hosting
Pacific Gas & Electric Co	RS57356	12/27/2018	\$903.23	1/1/19-1/29/19	\$903.23	\$0.00	Services - Contract CFTQTYR, Work Number WTOST - PO# <b>2501366740</b> - CWA No. 2501366740 5999674 - Adrienne Lee - 03/30/2017 5999674 - PCR 01 Web Hosting
Pacific Gas & Electric Co	PAC0320	3/27/2020	\$47,400.00	3/1/20-3/31/20	\$0.00	\$47,400.00	Services - Contract CFTQTYR, Work Number WTOST - No. C18161/PO <b>2501366740</b> PCR#3 - CWA PO#2501366740 Web Hosting Services
Pacific Gas & Electric Co	PAC0420	4/27/2020	\$47,400.00	4/1/20-4/30/20	\$0.00	\$47,400.00	Services - Contract CFTQTYR, Work Number WTOST - No. C18161/PO <b>2501366740</b> PCR#3 - CWA# C18161 Web Hosting Services
Pacific Gas & Electric Co	PGE0420	4/27/2020	\$1,914.32	3/1/20-3/31/20	<u>\$0.00</u>	<u>\$1,914.32</u>	Services - Contract CFTQTYR, Work Number WT06T - CWA# C18161 Web Hosting Services
					<b>\$1,903.23</b>	<b>\$96,714.32</b>	<b>PO 2501366740 - SERVICES - WEB HOSTING</b>
Pacific Gas & Electric Co	D800741	12/30/2018	<b>(\$10,302.48)</b>	11/1/18-12/31/18	<b>(\$10,302.48)</b>	\$0.00	SWMA Maintenance Agreement - PO# 2700186681 11/01/2018 - 10/31/2023 CONTRACT NUMBER A108D1
Pacific Gas & Electric Co	1905861	1/5/2019	\$156,023.61	1/1/19-1/29/19	\$156,023.61	\$0.00	SWMA Maintenance Agreement - PO# 2700186681 11/01/2018 - 10/31/2023 CONTRACT NUMBER A108D1
Pacific Gas & Electric Co	1905862	1/5/2019	\$32,327.76	1/1/19-1/29/19	\$32,327.76	\$0.00	HWMA Maintenance Agreement - PO# 2700186681 11/01/2018 - 10/31/2023 CONTRACT NUMBER A108D1

<u>CUSTNAM</u>	<u>INVNO</u>	<u>INVDTE</u>	<u>NETINV</u>	<u>Period</u>	<u>Pre-Petition</u>	<u>Post-Petition</u>	<u>CONTRACT DESCRIPTION</u>
Pacific Gas & Electric Co	1905861	1/19/2019	(\$16,777.30)	1/1/19-3/31/19	(\$16,777.30)	\$0.00	SWMA Maintenance Agreement - PO# 2700186681 11/01/2018 - 10/31/2023 CONTRACT NUMBER A108D1
Pacific Gas & Electric Co	4905354	5/11/2019	(\$16,421.20)	4/1/19-6/30/19	\$0.00	(\$16,421.20)	SWMA Maintenance Agreement - PO# 2700186681 11/01/2018 - 10/31/2023 CONTRACT NUMBER A108D1
					\$161,271.59	(\$16,421.20)	<b>PO 2700186681 - HW &amp; SW MAINTENANCE AGREEMENT</b>
Pacific Gas & Electric Co	D808433	12/28/2018	\$84,800.00	11/26/18-12/21/18	\$84,800.00	\$0.00	Services - Contract CFTCHWS, Work Number WZDHSV - Power8 Migration US75-1710112NDK/ <b>PO#2700102790</b> Kim Marcincak/5/2/2018 6269549/Power8 Migration Services
Pacific Gas & Electric Co	811212	10/30/2018	(\$795.00)	10/13/2018	(\$795.00)	\$0.00	Services - Contract CFTCHWS, Work Number WZDHSV - Power8 Migration US75-1710112NDK/ <b>PO#2700102790</b> Kim Marcincak/5/2/2018 6269549/Power8 Migration Services
					\$84,005.00	\$0.00	<b>PO 2700102790 - SERVICES - POWER8 MIGRATION</b>
Pacific Gas & Electric Co	C20BV71	4/29/2020	\$7,458.00	3/30/20-4/24/20	\$0.00	\$7,458.00	Services - Contract CFTKMPS, Work Number WGDRW - <b>PO</b> <b>NUMBER: PO2700309525/2700380388</b> SECUS1905074374575/2700380388 Alex Victor/Kim Marcincak/06/04/2019 010248981/Guardium at PG&E
					\$0.00	\$7,458.00	<b>PO 2700309525 - SERVICES - GUARDIUM</b>
Pacific Gas & Electric Co	45177	5/1/2020	\$6,733.97	5/1/20-5/31/20	\$0.00	\$6,733.97	Licensed Program Charges - <b>2700372604</b> Tier C Basic Monthly Charges
Pacific Gas & Electric Co	45179	5/1/2020	\$24,876.56	5/1/20-5/31/20	\$0.00	\$24,876.56	Licensed Program Charges - <b>2700372604</b> Basic Monthly License Charges for Tier C, and MSU 6, 7, 8 AEWLC
					\$0.00	\$31,610.53	<b>PO 2700372604 - LICENSED PROGRAM CHARGES</b>
Pacific Gas & Electric Co	RS57283	12/21/2018	\$102,050.00	11/30/18-12/31/18	\$102,050.00	\$0.00	Services - Contract CFTF61S, Work Number W4D1V - <b>PO#</b> <b>C12176</b> Consulting Services - Application Optimization Kim Marcincak: Sign 11/28/2018 Perform Assess / GTSUS1811303467380
Pacific Gas & Electric Co	C19BCG7	1/14/2019	\$5,317.02	11/26/18-12/20/18	\$5,317.02	\$0.00	Services - Contract CFTF61S, Work Number W4D1V - <b>PO#</b> <b>C12176</b> Consulting Services - Application Optimization Kim Marcincak: Sign 11/28/2018 Perform Assess / GTSUS1811303467380
Pacific Gas & Electric Co	C19BFJG	1/30/2019	\$1,470.47	1/5/19-1/17/19	\$1,470.47	\$0.00	Services - Contract CFTF61S, Work Number W4D1V - <b>PO#</b> <b>C12176</b> Consulting Services - Application Optimization Kim Marcincak: Sign 11/28/2018 Perform Assess / GTSUS1811303467380
Pacific Gas & Electric Co	RS57739	1/30/2019	\$88,600.00	1/1/19-1/28/19	\$88,600.00	\$0.00	Services - Contract CFTF61S, Work Number W4D1V - <b>PO#</b> <b>C12176</b> Consulting Services - Application Optimization Kim Marcincak: Sign 11/28/2018 Perform Assess / GTSUS1811303467380

<u>CUSTNAM</u>	<u>INVNO</u>	<u>INVDATE</u>	<u>NETINV</u>	<u>Period</u>	<u>Pre-Petition</u>	<u>Post-Petition</u>	<u>CONTRACT DESCRIPTION</u>	
Pacific Gas & Electric Co	C19BJFP	2/15/2019	\$2,621.05	1/9/19-1/18/19	<u>\$2,621.05</u>	<u>\$0.00</u>	Services - Contract CFTF61S, Work Number W4D1V - <b>C12176</b> Consulting Services - Application Optimization Kim Marcincak: Sign 11/28/2018 Perform Assess / GTSUS1811303467380	PO#
					<b>\$200,058.54</b>	<b>\$0.00</b>	<b>PO C12176 - SERVICES - CONSULTING - APPLICATION OPTIMIZATION</b>	
Pacific Gas & Electric Co	2533859	1/25/2019	\$203.47	1/1/19-1/29/19	<u>\$203.47</u>	<u>\$0.00</u>	Distributed Software - LEGACY WSI CONTRACT - Pilotbrief Optima	
					<b>\$203.47</b>	<b>\$0.00</b>	<b>PO NOT LISTED - OPTIMA LEGACY WSI CONTRACT</b>	
Pacific Gas & Electric Co	BC39378	9/12/2019	(\$13,585.81)		\$0.00	(\$13,585.81)	Unassociated cash payment	
Pacific Gas & Electric Co	MI90904	4/3/2020	(\$8,983.50)		\$0.00	(\$8,983.50)	Unassociated cash payment	
Pacific Gas & Electric Co	MI90943	5/6/2020	(\$4,407.00)		<u>\$0.00</u>	<u>(\$4,407.00)</u>	Unassociated cash payment	
					<b>\$0.00</b>	<b>(\$26,976.31)</b>	<b>UNASSOCIATED CASH PAYMENT</b>	
				\$730,519.93	<b>\$621,743.26</b>	<b>\$108,776.67</b>		